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FINDINGS
OF THE
SUPERMARKET PRICING SURVEY

May 1968

RESOURCE CENTER

Prepared By
Baltimore Community Relations Commission
210 North Calvert Street
Baltimore, Maryland 21202

RESOURCE CENTER
COMMUNITY RELATIONS COMMISSION

Baltimore Community Relations Commission
210 N. Calvert Street
Baltimore, Maryland 212022

FINDINGS OF THE SUPERMARKET PRICING SURVEY

The Community Relations Commission has recently concluded a pricing survey of twenty-four supermarkets within five major chains to determine whether or not statements alleging differential pricing in inner-city and suburban stores have any basis. We at the Commission undertook the project not to make accusations but to ascertain the facts as they pertain to Baltimore's supermarkets.

In seeking volunteers to garner the necessary figures, we requested assistance from various organizations in the city. Twenty-seven ladies from the League of Women Voters, Fellowship House, The National Council of Jewish Women, St. Matthew's Roman Catholic Church along with a number of interested individuals volunteered to visit assigned stores at designated hours on given days to record the prices of items listed on a chart, which included twenty-seven staple products. The visitation covered a period of three and one-half weeks. The major reason for structuring the survey in this way was to determine if price changes were made at different times relative to the location of stores. Prior to the survey, we had heard that price changes occurred later in the day in inner-city stores primarily because of a smaller number of markers being assigned to these stores. Our survey failed to validate this allegation.

In addition to checking prices, we concerned ourselves with other elements of supermarket policies. Quality, though being an important aspect to judge, is perhaps the most difficult because attempting to ascertain as well as possible the quality of such products as fruits, vegetables, and meats, while also focusing on the quality of store services and facilities. In addition, we considered the matter of sanitary conditions.

In attempting to identify the stores to be included, we became of the paucity of major chain stores within the inner city. The greatest number of chain outlets is located in the suburbs (125 or more), leaving only twenty-five or more in the inner city. We used several factors in designating "inner-city stores"; one of which was the matter of location in or near the C.A.A. target areas; another was economic level of the community, with the third being the racial make-up of the community. However, taking these factors into consideration, it was still difficult in some instances (Mondawmin Shopping Center, Bolton Hill) to categorize certain stores.

The survey, which was begun on March 1, 1968, and concluded on March 21, uncovered the following information. The average price for all days was higher in two chains in the inner-city; however, in two other chains, prices averaged higher in suburban outlets. In the fifth chain, the price average was exactly the same in the inner-city and suburban areas.

Detailed figures are as follows:

A. General Disparity Between Inner-City and Suburban Stores

The average shopping cost for all days in the inner-city was \$12.64. For the suburban stores, the corresponding figure was \$12.59 - an average difference of \$.05.

B. Differences Within Specific Chains

1. Chain A The average shopping bill for all days in the inner city was \$12.46, while for the suburbs it was \$12.54.
2. Chain B The average within this chain was \$12.77 for the inner city and \$12.80 for the suburbs.
3. Chain C The inner-city average was higher for this chain with \$12.59 as the average for all days against \$12.36 for the suburban stores.
4. Chain D A \$.10 difference in averages was found here with the inner-city stores averaging \$13.32 and the suburban ones \$13.22.
5. Chain E An identical average was registered in chain E with both areas paying \$12.04

C. Comparison of Specific Staple Items Within a Chain

1. <u>Chain A</u>	<u>Inner City</u>	<u>Suburbs</u>
a. Sealtest Homogenized Milk	.52	.52
b. Grade A Large Eggs	.49	.49
c. Carnation Evap. Milk	.17	.17
d. Domino Granulated Sugar	.61	.61
e. Kellogg's Corn Flakes	.29	.29
f. Esskay Skinless Franks	.82	.79

2. <u>Chain B</u>	<u>Inner City</u>	<u>Suburbs</u>
a. Sealtest Hom. Milk	.62	.62
b. Grade A Large Eggs	.44	.44
c. Carnation Evap. Milk	.16	.16
d. Domino Granulated Sugar	.61	.61
e. Kellogg's Corn Flakes	.29	.29
f. Esskay Skinless Franks	.79	.79
3. <u>Chain C</u>		
a. Sealtest Hom. Milk	.62	.62
b. Grade A Large Eggs	.52	.52
c. Carnation Evap. Milk	.18	.17
d. Domino Granulated Sugar	.60	.62
e. Kellogg's Corn Flakes	.31	.31
f. Esskay Skinless Franks	.75	.74
4. <u>Chain D</u>		
a. Sealtest Hom. Milk	.58	.58
b. Grade A Large Eggs	.46	.47
c. Carnation Evap. Milk	.16	.16
d. Domino Granulated Sugar	.59	.61
e. Kellogg's Corn Flakes	.29	.29
f. Esskay Skinless Franks	.85	.88
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a. Sealtest Hom. Milk	.60	.62
b. Grade A Large Eggs	.48	.44
c. Carnation Evap. Milk	.16	.16
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On the question of quality and freshness of products- none of the twenty-seven ladies commented negatively. From this we surmised that there were no glaring defects in quality as seen by the volunteers while conducting the survey. The same was true with regard to sanitation and store facilities. In spaces provided on the back of the survey forms, the ladies checked whether the conditions were excellent, good, fair, or poor. In most instances good and fair were checked with editorial comments explaining that perhaps the stores were either rather small, or older buildings. Random checks of many of the stores by staff members of the Commission tended to validate the point that, generally, facilities and quality were good.

The general findings of the Commission are:

- A. That stores within a chain located in the inner city do not charge higher prices than stores in the suburbs.
- B. That there is no discrimination in the pricing of particular items within a chain.
- C. That there is no significant difference in the sanitary conditions as observed by the volunteers.
- D. That for reasons which are unknown to us, many inner city supermarkets have closed in the past few years--to be replaced in many instances by independent stores.
- E. That in our survey of major chain supermarkets only, there is no significant pattern of discrimination in terms of prices, quality, or sanitation based on race, income level, or geographic location.

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